

AD 14 BUDGET SUMMIT PARTICIPANT RESULTS

Assemblymember Skinner held 3 budget summits on June 16, 17, and 18. Here are the responses from hundreds of AD 14 constituents who participated in the summits or took the budget challenge on the website.

1. To raise new revenues would you support: Taxing oil companies that drill oil in California, as all other U.S. states do?

Yes – 94%

No – 5%

Undecided – 1%

2. To raise new revenues would you support: Drilling off the California Coast?

Yes – 22%

No – 69%

Undecided – 9%

3. To raise new revenues would you support: Collecting sales tax from Californians who purchase products from out-of-state internet companies?

Yes – 69%

No – 26%

Undecided – 5%

4. To raise new revenues would you support: Increasing the tobacco tax?

Yes – 86%

No – 11%

Undecided – 3%

5. To raise new revenues would you support: Increasing the alcohol fee by a dime a drink?

Yes – 87%

No – 11%

Undecided – 2%

6. How do you believe the budget should be balanced?

Budget cuts only – 5%

Both spending and tax increases – 78%

With new revenues only – 17%

7. How much should California spend per student?

- No change: Keep per pupil spending as is – 25%
- Reduce per pupil spending and save \$4.1 billion – 19%
- Spend \$8.5 billion to increase per pupil spending – 32%
- Spend \$19.1 billion increasing per pupil spending to the national average – 23%

8. What should California's fee policy be for UC and CSU?

- No change: Increase tuition by about 9% per year for UC and 10% for CSU. – 17%
- Spend \$1 billion to keep fees flat for the next 5 years. – 19%
- Spend \$500 million to slow increase in fees down to 4% per year. – 33%
- Save \$1 billion by continuing to increase fees by 9% per year for UC and 10% for CSU and reduce costs by eliminating new Cal Grants in 2009-2010 and not covering the cost of fee increases. – 18%
- Save \$400 million by maintaining the 9% for UC and 10% for CSU fee increases and reduce costs by capping enrollment growth at zero. – 13%

9. Should California scale back or expand health care coverage provided through the Medi-Cal program?

- No change in funding for the Medi-Cal program. – 43%
- Save \$2.5 billion by reducing eligibility for families and undocumented newly arrived immigrants, increasing the share of cost for the aged & disabled and eliminating the Healthy Families and Adult Day Healthcare programs. – 28%
- Spend \$500 million to expand Medi-Cal eligibility for working families with two children from the current level of about \$22,000 to \$44,000, as well as expand eligibility for the Healthy Families program. – 29%

10. Should spending for human services programs be reduced?

- No change: Human services programs should not be reduced. – 66%
- Save \$400 million by reducing the state portion of the SSISSP grant for aged, blind and disabled recipients. – 6%
- Save \$ 1.2 billion and reduce state participation in IHSS provider wages from \$11.50hr to \$8.00hr and limit services to only the most needy. – 7%
- Save \$1.8 billion and eliminate cash assistance (CalWORKS) for children and families under the state's welfare-to-work. – 3%
- Save \$3.4 billion and make all three reductions. – 17%

11. What steps should California take to reduce greenhouse gases that cause global warming?

- No change: California should not take additional steps beyond AB 32. – 33%
- Spend \$200 million and provide grants to California Universities to accelerate the commercialization of renewable energy technologies. – 5%
- Spend \$500 million to add to the \$1 billion that California utilities are now investing in cost-effective energy efficiency improvements. – 7%
- Impose a surcharge or rebate of up to \$2,500 on new cars based on their greenhouse gas emissions. – 27%
- Spend \$700 million and take all three actions. – 28%

12. Should corrections costs be reduced?

- No change: maintain sentencing requirements and rehabilitation services. – 11%
- Save \$1 billion by reducing a range of rehabilitative services such as substance abuse counseling and vocational training. – 4%
- Save \$1.2 billion by adopting a range of options to reduce time served for lower level inmates or reduce the number of inmates returned to prison as a result of technical parole violations. – 65%
- Save \$2.2 billion and do both reduce funding for rehabilitative services for inmates and reduce time served for lower level inmates. – 19%

13. Should California raise or lower the income tax?

- No change: Let the tax increase expire at the end of 2010 and do not raise or lower the tax at that point. – 9%
- Raise income taxes by extending the current 0.25% rate increase on all taxpayers beyond 2010, increasing revenues by \$2.7 billion. – 35%
- Raise income taxes on upper income families by reinstating the 10% & 11% brackets after the current increase expires, increasing revenues by \$4 billion. – 49%
- Cut income taxes for all income taxpayers by cutting rates a further 0.25% after the current increase expires, reduces revenues by \$2.7 billion. – 7%

14. Would you like to expand the sales tax to a selected set of services (legal, accounting, consulting, auto repair, personal care, amusement) or raise or lower the sales tax rate?

- No change: Keep the sales tax base as is and let rate increase expire at the end of June 2011. – 16%
- Extend the sales tax increase beyond June 2011, increasing revenues by \$5.8 billion. – 35%
- Expand the sales tax base to services, increasing state revenue by \$2.9 billion. – 15%
- Extend the sales tax to a selected set of services, but offset most of the revenue gain by cutting the sales tax rate by one-half percent. – 27%
- Cut the sales tax rate by one-half percent, reducing revenues by \$2.9 billion. – 8%

15. Would you like to reinstate the 2% Vehicle License Fee (VLF) to help balance the budget?

- No change: Let the VLF fall back to the 0.65% rate when the increase expires at the end of June 2010-2011. – 12%
- Extend the VLF increase to 1.15% beyond 2010-2011 and continue to give a portion of the additional revenues to local law enforcement, increasing revenue by \$1.3 billion. – 40%
- Reinstatement the higher 1997 fee level (2%), increasing revenues by \$4.1 billion and continue to share a portion of the increase with local law enforcement. – 49%

16. Should the corporation tax be raised or lowered?

- No change: The corporation tax rate should be left at its current level of 8.84%. – 19%
- Increase the corporation tax rate to its prior peak of 9.6%, increasing revenues by \$700 million. – 73%
- Cut the corporation tax rate to 8.1%, which would reduce revenues by \$700 million. – 8%

17. Should California restrict or eliminate tax breaks to help balance the budget?

- No change: Do not change any of the state's tax credits or deductions. – 14%
- Replace the mortgage interest deduction with a tax credit equal to 5% of mortgage interest, saving \$1 billion. – 9%
- Eliminate the ability of investors to avoid capital gains on the increased value of similar properties by trading rather than selling those properties, saving \$400 million. – 18%
- Reduce the research and development credit for businesses, increasing revenues by \$300 million. – 4%
- Reduce all three tax brackets, increasing revenues by \$1.7 billion. – 54%

18. Would you like to change the current property tax system?

- No change: Keep the current rules. – 12%
- Allow more frequent reassessment of non-residential property values, increasing revenues for the state budget by \$1.6 billion, and for local governments by \$2.7 billion. – 71%
- Allow assessed values of ALL property in California to increase at a rate of 4% per year instead of the current 2%, increasing revenues by \$1.2 billion. – 10%
- Change the policy, cutting the tax rate by 50% and reassessing the value of ALL properties annually. This way, property taxes will be much lower at the start, benefiting new homeowners, but much higher as the property increases in value. – 7%

19. How should California tax gasoline?

- No change: maintain current .18gallon state gas tax. – 16%
- Raise the gas tax from .18gallon to .30gallon and use the additional \$2 billion in proceeds for transportation such as roads, bridges and mass transit. – 16%
- Raise the gas tax from .18 gallon to .30 gallon and use the additional \$2 billion in proceeds to support alternative energy efforts. – 9%
- Raise the gas tax from .18 gallon to .30gallon and use the additional \$2 billion to pay debt service on transportation bonds, freeing up general fund resources. – 59%